

Washington, D.C. – Congressman Sanford D. Bishop, Jr. (GA-02) voted yesterday in favor of H.R. 4154, which will spur job creation and enable small businesses, farmers, and American workers in Georgia's Second Congressional District to keep more of their hard-earned wealth. The legislation will ensure that individual estates worth less than \$3.5 million (or 99.8% of estates in the United States) will never pay a penny in estate tax.

"I have strongly supported a full repeal of the 'death tax' on the grounds that it is politically misguided, morally unjustified and downright un-American," Bishop said. "The 'death tax' undermines the life work and the life savings of farmers and small- and medium-sized businesses in Georgia and across the nation. While I will continue to fight to fully repeal the death tax, I voted in favor of this bill because the alternative would have been far worse – uncertainty in future estate planning as well as a higher rate and a lower exemption amount in 2011."

Without the legislation, the estate tax would be eliminated entirely in 2010. In 2011, however, the maximum estate tax rate would increase to 55% and would include a much lower exemption amount of \$1 million per individual (\$2 million per couple). At these levels, Congressman Bishop was concerned that many Georgia farmers would lose their farms that have been passed down from generation to generation or be forced to sell much needed land, buildings or equipment. In addition, he heard from small business owners who feared that the businesses they hope to hand down to their children will be destroyed by the higher estate tax levels.

"As the nation struggles to create jobs and emerge from recession, allowing the higher estate tax to go into effect in 2011 would have been irresponsible," Bishop said. "I have heard from farmers, funeral home owners, newspaper publishers, radio station owners, and garment manufacturers about the need for estate tax relief. Their message has come through loud and clear."

The legislation also included the provisions of H.R. 2920, the "Pay-As-You-Go" (PAYGO) principle, which requires Congress to ensure that new policies that increase spending or reduce revenues do not add to the federal budget deficit.

H.R. 4154 passed the House by a vote of 225 to 200. The bill now goes to the Senate for its consideration.